



REPLY TO
ATTENTION OF:

DEPARTMENT OF THE ARMY
U.S. ARMY MANEUVER SUPPORT CENTER AND FORT LEONARD WOOD
320 MANSCEN LOOP STE 316
FORT LEONARD WOOD, MISSOURI 65473-8929

IMNW-LNW-LGS (735)

10 JAN 2006

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Command Policy #69-05, Accounting for Property

1. REFERENCES:

- a. AR 710-2, 25 February 2004, Inventory Management Supply Policy Below the Wholesale Level.
- b. AR 735-5, 28 February 2005, Policies and Procedures for Property Accountability.
- c. Message, HQDA, DAMO-AOC, R 281806Z Apr 04, subject: Property Accountability Threshold Change to \$5000 For Property Accountability Below the Stock Record Account.
- d. Memorandum, HQ TRADOC, ATBO-HS, 30 Jul 04, subject: Durable Property Accountability Procedures.
- e. Memorandum, HQ IMA, SFIM-ZC, 28 Jul 04, subject: Implementation Guidance for the Headquarters Department of the Army (HQDA) Dollar Threshold Change to \$5,000 for Property Accountability Below the Stock Record Account.

2. PURPOSE: To provide guidance and establish policy throughout Fort Leonard Wood regarding property accountability and relief from responsibility.

3. POLICY/PROCEDURES: The overall intent of this policy is to provide specific policy for accounting for government property and procedures to be used in obtaining relief from responsibility for lost, damaged, or destroyed property.

a. Accounting for Government Property.

(1) Army policy for accounting for government property has changed considerably over the past 2 years. As per the references above, all nonexpendable property on-hand, that is authorized on an authorization document (TDA, MTOE, etc.), is still maintained on formal property book records and controlled on hand receipts. Any

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property item, whether a federal supply item or commercially-procured item exceeding \$5,000 in individual value and certain other pilferable items listed in the references, will also continue to be maintained on the formal property book record and controlled on hand receipts. All sensitive items continue to be managed on formal property records regardless of circumstance. All other property is categorized as either durable or expendable/consumable, both of which require no formal property book accountability procedures. When feasible, commanders (O-6 approving authorities) may direct certain other items not specified in this policy memorandum to be maintained on formal property book records, when it is determined they are pilferable.

(2) Durable property is personal property that is not consumed in use and not formally accounted for. Because of the unique characteristics of durable property, controls are required when issued to users. If you are unsure about the item accounting designation, consult your Property Book Officer (PBO). Commanders will establish internal controls on durable property. As a minimum, durable property, as defined in reference 1b, paragraph 7-6, will be managed by using the ULLS S-4 or an other Army-approved system, Excel spreadsheet, DA Form 2062, or an internally-generated written record that provides sufficient management information for control and review.

(3) In accordance with reference 1b, paragraph 7-7, commanders or heads of activities will conduct an annual management review of all on-hand durable items. A memorandum record of the results of the review will be maintained and record of deficiencies and corrective actions will be documented. One copy will be maintained at each unit/activity level and one copy maintained at the next higher level. Memorandums will be retained on file for 2 years before destruction. These procedures will be monitored during the installation Organizational Inspection Program (OIP).

b. Investigations and Assessment of Financial Liability for Lost Property. Regardless of the circumstances, when a loss of a nonexpendable or sensitive item occurs and liability is not admitted, the commander will initiate an AR 15-6 investigation (where appropriate) or DD Form 200 (Financial Liability Investigation of Property Loss). Investigations will be routed through the appropriate PBO, along with all supporting documentation and initial statements for property book record adjustment, control register annotation, and routing. Approving authorities will process the investigation in accordance with reference 1b. For durable property losses discovered either during day-to-day business or during the management review process, the commander, director, or activity chief will initiate an AR 15-6 or DD Form 200, and conduct an internal investigation. The results of the investigation will be forwarded to their designated approving authority for final disposition of action. The purpose of the

investigation will be to determine the proximate cause of the loss, prevention measures, and to potentially assess financial liability, if negligence or willful misconduct can be determined.

c. Adjustments for Damaged Property.

(1) Commanders'/Activity Chiefs' Responsibilities. When nonexpendable, durable, or leased property is damaged or discovered to be unserviceable through other than fair, wear, and tear, commanders or activity chiefs are to be immediately notified by the person(s) responsible for or with the most knowledge of the property damage. The commander or activity chief must immediately investigate the facts and circumstances surrounding the damage to determine negligence or misconduct. From this investigation, a memorandum is prepared. If negligence or misconduct is not suspected, the commander or activity chief will annotate the memorandum damage statement stating that no negligence was suspected. The damage statement will be forwarded to their approving authority. If negligence or misconduct is suspected, the commander or activity chief will immediately direct the preparation and processing of a Financial Liability Investigation of Property Loss (DD Form 200) in accordance with reference 1b. Approving authorities may direct all damage investigations be performed as the first step in the process using the Financial Liability Investigation of Property Loss (DD Form 200).

(2) Approving Authorities' Responsibilities.

(a) For purposes of clarity, approving authorities for Financial Liability Investigation of Property Loss are the four brigade commanders and the Garrison Commander. The Garrison Commander acts as approving authority for activities aligned under both the Garrison and United States Army Maneuver Support Center Unit Identification Code. Approving Authorities will review all damage statements. Regardless of the cost, damage statement reviews may not be delegated to subordinate commanders or activity chiefs by approving authorities. If the approving authority agrees no negligence or misconduct occurred, he/she will annotate the damage statement accordingly. If the approving authority believes negligence or misconduct occurred, he/she will disapprove the damage statement memorandum (nonconcurrence) and return the statement to the subordinate commander or activity chief directing an AR 15-6 investigation or Financial Liability Investigation of Property Loss (DD Form 200) be initiated and processed. The Checklist and Tracking Document for Financial Liability Investigation of Property Lost (DA Form 7531) will be attached to the DD Form 200.

IMNW-LNW-LGS (735)

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(b) One copy of every approved damage statement will be maintained by the approving authority and one will be forwarded to the commander/activity chief responsible for the property. The approving authority will approve Financial Liability Investigation of Property Loss for damaged property the same as for lost property.


(3) In accordance with reference 1b, paragraph 14-18a(5), damage statement memorandums approved by the approving authorities will be reviewed during the annual brigade OIP. At least 40 percent of the statements will be reviewed at random during the annual OIP to determine information specified in reference 1b, paragraph 14-18a (5a and 5b).

d. A matrix is enclosed for quick reference.

4. SUPERSESSION: This policy will remain in effect until rescinded or superseded.

5. PROPONENCY: The proponent for this command policy is the Directorate of Logistics, 596-0622.

Enclosure


RANDAL R. CASTRO
Major General, USA
Commanding

DISTRIBUTION:

All Schools, Brigades, Battalions, Companies,
Detachments, Tenant Units, Directorates
and Personal Staff Offices

COMMAND POLICY # -05, ACCOUNTING FOR PROPERTY
MATRIX

<u>Item</u>	<u>Accounting Method</u>	<u>Damage Investigation</u>	<u>Loss Investigation</u>
Nonexpendable (TDA/MTOE e.g. Class VII end-items and certain CTA items like OCIE)	Property Book/ Hand receipts	Negligence---DD 200 No negligence—Memo	DD 200*
Sensitive Item (weapons, optics, COMSEC,etc.)	Property Book/ Hand receipts	Negligence—DD 200 No negligence--Memo	AR 15-6
Federal Stock Number or Commercial Item > \$5000 & fabricated like-items	Property Book/ Hand receipts	Negligence—DD 200 No negligence--Memo	DD 200*
Durable (CPUs, Tools, TADSS, e.g. items not consumed but having specific dollar limits. See AR 735-5, paragraph 7-6)	Electronic or written records	Negligence—DD 200 No negligence--Memo	DD 200*
Expendable products, (e.g. items consumed in use)	None after issue to user level	Negligence—Cdr's discretion No negligence—No action	Commander's discretion

*** When liability is not admitted**

Enclosure